

# Guaranty Trust Bank plc

2013 Audited full-year results  
Announces PBT of ₦107.09billion

Lagos Nigeria – March 14, 2014 – Guaranty Trust Bank plc (“GTBank”), (Bloomberg: GUARANTY:NL/Reuters: GUARANT.LG), provider of diversified financial services, announces its Audited Financial Results, in accordance with IFRS, for the year ended December 31, 2013, and declares a Final dividend of 145 kobo\* per share bringing the total year dividend to 170kobo.

Commenting on the results, Mr. Segun Agbaje, Managing Director and CEO of Guaranty Trust Bank plc stated that “As a growing franchise and in spite of the regulatory headwinds, our Bank has posted respectable results that reaffirm our reputation as a market leader and a highly ethical financial institution. We have maintained our ROE leadership position as seen by our December 2013 ROE of 29.32% (31 December 2012: 33.98%).

He further stated that “with this performance, we will maintain our commitment to maximizing shareholder value with a proposed dividend pay-out of ₦1.70 per share, an increase of 10% over the ₦1.55 paid in 2012 and a share price appreciation of 17% in 2013. Our acquisition of Fina Bank Limited, a Kenyan bank with significant business footprint in Rwanda and Uganda gives us the opportunity to commence business in three East African countries via the acquisition of one bank. This will give us great mileage and an opportunity to leverage our brand equity. We hope to further tap into the growth potentials of emerging African economies thus bringing us closer to our philosophy of being ‘A proudly African and truly international’ financial brand”.

## Financial Highlights

- Strong Earnings
  - **Profit before tax of ₦107.09bn** (31 December 2012: ₦103.03bn) an increase of 3.94%. Relatively strong growth considering the severe dampening effect of regulatory headwinds in 2013. Growth driven primarily by increased transaction volumes and strong loan growth.
  - **Profit after tax for the year of ₦90.02bn** (31 December 2012: ₦87.30bn) up 3.13%.
  - Earnings per share of 317kobo (31 Dec 2012: 305kobo per share)
  - **Final 2013 Dividend of 145kobo** per share. **Total-Year Dividend of 170kobo** (inclusive of 25kobo interim dividend issued at half-year 2013)
- Subsidiaries
  - In January 2014, Fina Bank and its subsidiaries were rebranded to GTBank Kenya, GTBank Rwanda and GTBank Uganda
  - GTBank now operates in 9 countries outside of Nigeria
- Revenue
  - **Interest Income of ₦185.38bn** (31 December 2012: ₦170.30bn) up 8.86%. Growth driven primarily by strong loan book growth of 28.58%. The Bank aggressively grew its loan book to compensate for income lost as a result of the New Banker’s Tariff, and other regulatory headwinds.
  - **Non-Interest Income of ₦57.28bn** (31 December 2012: ₦52.76bn) up 8.55% as a result of increased transaction volumes and loan book growth, despite regulatory induced fee reductions and eliminations in 2013.
  - **Net interest margin remained strong at 8.87%**(31 December 2012: 9.46%)
- Balance Sheet
  - **Total assets and contingents of ₦2.67trn** (31 December 2012: ₦2.198trn)
  - **Total assets of ₦2.10trn** (31 December 2012: 1.73trn) up 21.2%
  - **Strong loan book growth of 28.58%. Net loans and advances to customers of ₦1.01trn** (31 December 2012: ₦783.91bn) Loan book growth driven by decent deposit

growth and the Bank's aim to offset the effects of the industry-wide, regulator induced reduction in income.

- **Total Deposits from customers of ₦1.44trn** (31 December 2012: ₦1.17bn) up 23.09%. Strong deposit growth driven by impressive performance of our retail franchise.
- GTBank issued a \$400m, 5year note at 6% in 2013 to further drive its loan book growth
- Credit Quality
  - **Non-performing loans to total loans of 3.58%** (31 December 2012: 3.75%)
  - **Coverage (with Regulatory risk reserves) at 110.60%** (31 December 2012: 101.60%)
- Continued focus on efficiency
  - **Cost to income of 43.53%** (31 December 2012: 43.10%) Despite an increase in the AMCON levy and other regulatory induced expenses, the Bank's expenses grew by 5.8% in 2013

\*Subject to shareholder approval at GTBank's AGM to be held on April 14, 2014

### **Full Year 2013 Financial Analysis and Ratios**

<b>Key Financials (N' billion)</b>	<b>2013</b>	<b>2012</b>	<b>Δ%</b>
Interest Income	185.38	170.3	8.9%
Net Interest Income	136.94	130.69	4.8%
Operating Income	189.63	181.03	4.8%
Operating expense	82.54	78.00	5.8%
Profit before tax	107.09	103.03	3.9%
Profit for the year	90.02	87.30	3.1%
Earnings per share	3.17	3.05	3.9%
Total Assets	2,102.85	1,734.88	21.2%
Net Loans	1,007.97	783.91	28.6%
Total Deposits	1,442.70	1,172.06	23.1%

<b>Key Ratios</b>	<b>2013</b>	<b>2012</b>
ROE ( <i>post-tax</i> )	29.32%	33.98%
ROA ( <i>post-tax</i> )	4.69%	5.22%
ROE ( <i>pre-tax</i> )	34.87%	40.10%
ROA ( <i>pre-tax</i> )	5.58%	6.16%
Net interest margin	8.87%	9.46%
Cost-to-income ratio	43.53%	43.09%
Loans to deposits	70.61%	68.27%
Liquidity ratio	50.31%	53.32%
Capital adequacy ratio	21.85%	23.80%
NPL/Total Loans	3.58%	3.75%
Cost of risk	0.31%	0.10%
Coverage (with Reg. Risk Reserves)	110.60%	101.60%

14 March 2014

### **Enquiries:**

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**Notes to the Editors:**

Guaranty Trust Bank is a diversified financial services company with N2.10trillion in assets, providing commercial banking services through 241 local branches, 1051ATMs, our international subsidiary offices and the Internet (gtbank.com).

The Group operates as one of the leading Nigerian banks offering a wide range of financial services and products throughout Nigeria and in the West African sub-region. The Bank is rated BB- by Standard and Poors and B+ by Fitch, a reflection of the Bank's stability and reputation of being a well established franchise with strong asset quality and consistently excellent financial performance.

The Bank has nine bank subsidiaries established outside of Nigeria —

- 1) Guaranty Trust Bank (Gambia) Limited ("GTB Gambia"),
- 2) Guaranty Trust Bank (Sierra Leone) Limited ("GTB Sierra Leone"),
- 3) Guaranty Trust Bank (Ghana) Limited ("GTB Ghana"),
- 4) Guaranty Trust Bank (Liberia) Limited ("GTB Liberia"),
- 5) Guaranty Trust Bank (United Kingdom) Limited ("GTB UK")
- 6) Guaranty Trust Bank (Cote D'Ivoire) ("GTB Cote D'Ivoire"),
- 7) Guaranty Trust Bank (Kenya) Limited ("GTB Kenya"),
- 8) Guaranty Trust Bank (Rwanda) Limited ("GTB Rwanda"),
- 9) Guaranty Trust Bank (Uganda) Limited ("GTB Uganda").

The Bank also has a non-bank GTB Finance B.V. ("GTB Finance"), a special purpose subsidiary incorporated in The Netherlands.